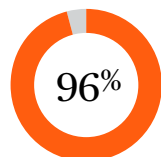


# Lead the long-term care conversation

Clients are already thinking about long-term care. Help them create a meaningful plan.

Americans are living longer than ever before, which means that it's likely their life span may outpace their health span. Long-term care planning is more than identifying a funding source. It is about building a comprehensive strategy that covers the cost of care services and helps prepare your clients and their loved ones for the financial, emotional and administrative decisions that need to be made.



of clients surveyed agree it is **important to plan for long-term care**, but only **17% have planned for it**.



When clients need long-term care and do not have a **dedicated funding solution**, financial professionals estimate that the **average annual** withdrawal rate from a **retirement income portfolio jumps from 5% to 11%**.



**9 out of 10** clients surveyed believe that financial professionals should **take the lead** in discussing LTC plans.

Source: Versta Research, "2020 LTC Marketing and Thought Leadership Research, Findings from Surveys of Financial Professionals and Consumers," Oct. 2020. <http://visit.lfg.com/MG-VRST-PPT001>.

**Only 38% of clients surveyed with financial professionals have discussed long-term care planning with them.**<sup>1</sup> Whether or not you are part of the discussion, you will likely be one of the first calls your clients make if they experience a long-term care event.

With **98% of financial professionals** reporting that they've **had clients who needed long-term care**,<sup>1</sup> having a comprehensive plan in place is a valuable piece of financial planning for your clients and their loved ones.

## Comprehensive LTC strategies include:

- A specific funding source to cover the cost of care
- Resources that help identify care preferences and available services
- Personalized and dedicated support throughout the claims process

## Deepening your commitment to clients

By providing your clients with the best long-term care solutions for their unique situations, you help them make a commitment to loved ones that protects their financial legacies and minimizes the burden to others, should they need care.

Insurance products issued by:  
The Lincoln National Life Insurance Company

# Engage your clients in long-term care conversations

Help them create a plan with meaningful impact.



## Meet Tim and Sue

- On-track with retirement planning
- No designated funds in the event of a sudden change in health
- Do not want their children to become their caregivers

### Life stage considerations

- Children are out of college and on their own
- No longer funding 529 plans to fund education
- Mortgage is paid off
- Their parents are no longer living
- Both are significant income earners

### Questions to start the conversation

- What are Tim and Sue's plans if either of them experience an extended healthcare event?
- What assets would they liquidate to cover long-term care needs?
- If either of them required care, do they plan to rely on a family member as their caregiver?

### Preparation strategy for LTC expenses

Build a LTC plan that is fully funded by the time Tim and Sue retire to protect their income stream.



## Meet Kate

- Maxes out retirement saving vehicles, such as 401(k) and IRA
- Has excess income to invest
- Worries about care her parents as they age

### Life stage considerations

- Currently single, but may marry and have children in the future
- Plans to balance career and family
- Curious about investing and learning about financial prioritizing

### Questions to start the conversation

- What financial obstacles is Kate currently concerned about?
- If a loved one experienced an LTC event, what would be the impact on her savings?
- Is she able and willing to become a caregiver?

### Preparation strategy for LTC expenses

Build a plan with a lower entry funding premium point and the ability to increase payments as financial situations change.

**Consider LTC solutions with flexibility to address a range of client risk tolerances, preferences and needs.**



## Meet Michael and Tracy

- Able to self-fund in the event of a sudden change in health
- Concerned with future tax consequences
- In control of their financial decisions

### Life stage considerations

- Desire to fund their children's and grandchildren's educations
- Maxing out retirement plan options
- Open to tax-friendly plans, including gifting strategies
- Approaching high-net-worth status

### Questions to start the conversation

- What is the plan if Michael or Tracy experience an extended healthcare event?
- Would they be comfortable having loved ones change their lifestyle to take care of them?
- Who would they choose to be the decision maker if they had an extended healthcare event?

### Preparation strategy for LTC expenses

Create tax-efficiency with a long-term care plan that includes favorable tax advantages.



## Meet Jack

- Financially comfortable in retirement
- Willing and able to reposition assets
- Focused on passing wealth along to future generations

### Life stage considerations

- Wants to spend time with his grandchildren
- Needs to begin taking required minimum distributions (RMDs)
- Focused on using income from IRAs and annuities
- Approaching mass-affluent status

### Questions to start the conversation

- What would happen to Jack's legacy if he needed care?
- Would he be comfortable having loved ones change their lifestyle to take care of him?
- Would he be willing to reposition assets to help preserve his wealth from the cost of an extended healthcare event?

### Preparation strategy for LTC expenses

Avoid withdrawal rate risk by funding a plan with a short-pay premium schedule.

**A comprehensive LTC plan can help you strengthen, protect and honor the commitment between you, your clients and their loved ones.**

## Backed by Lincoln's three decades of experience in LTC solution

For over 30 years, we've been developing hybrid long-term care solutions, that help your clients protect their commitment to loved ones and secure their financial legacy.



For more information about Lincoln *MoneyGuard*® solutions, contact your Lincoln representative.

<sup>1</sup>Versta Research, "2020 LTC Marketing and Thought Leadership Research, Findings from Surveys of Advisors and Consumers," August 2020. <http://visit.lfg.com/MG-VRST-PPT001>. For a printed copy, call 877-ASK-LINCOLN.

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